GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:268
ANSWERED ON:10.08.2000
OIL EXPLORATION AND PETROLEUM REFINING
SADASHIVRAO DADOBA MANDLIK

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have recently reviewed the performance of various agencies working in the field of oil exploration and petroleum refining;

(b) if so, the details thereof along with the emerging trends; and

(c) the policy decision taken to meet growing requirements?

Answer

Minister of Petroleum and Natural Gas (Shri Ram Naik)

(a) to (c): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (C) OF THE LOK SABHA STARRED QUESTION NO. 268 D 10.8.2000 REGARDING OIL EXPLORATION AND PETROLEUM REFINING

(a)

(i) The performance of the Public Sector Undertakings (PSUs) in the oil sector is reviewed through the system of Quarterly Performance Reviews. In addition, every year, Government enters into Memoranda of Understanding (MOUs) with the PSUs of the oil sector for setting their Annual Performance targets and on completion of the year, targets are compared with the actual achievements and accordingly performance ratings are worked out.

(ii) The performance of Private/JV sector in exploration is reviewed in the management committee set up under various Production Sharing Contracts(PSCs), where Government is represented by Director General of Hydrocarbons and other officials of the Directorate General of Hydrocarbons.

(iii) There is no system of review of performance of the Private and Joint venture refineries.

(b)

(1) As a result of exploration activities, the estimated reserves of oil and gas added by Oil and Natural Gas Corporation (ONGC), Oil India Limited (OIL) and the private sector is given below:-

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1997-98      29.59
1998-99      85.20
1999-2000 Oil+Oil Equivalent of Gas(MMTOE)+ 63.40
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2. PSU Refineries

The actual crude throughput of PSU refineries as compared to their MOU targets for the last three years are given as under:-

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  1997-98   1998-99   1999-2000


  Target Actual  Target Actual  Target Actual


Crude Throughput 59.450 61.314  63.705 64.466  67.815 68.835


(MMTPA)++
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(c):

(1) The following steps are being taken by Government to increase the indigenous production of oil:-

(ii) Finding new hydrocarbon reserves through intensified exploration activities such as : exploration at greater depths in existing fields, extending exploration activities to deep waters and frontier areas, increased private participation in exploration activities through various rounds of bidding for exploration blocks and New Exploration Licensing Policy under which 22 Production Sharing Contracts were signed on 12th April, 2000

(iii) Faster development of new discoveries.

(iv) Optimizing production from existing fields through better reservoir management and use of advanced and cost effective technologies.

(2) Government has taken the following measures to increase the refining capacity in the country:-

(i) Permitting refining capacity additions by way of expansion of existing refineries and setting up of new refineries in public sector, joint sector and private sector.

(ii) Delicensing of refining sector in June, 1998.

(iii) Allowing 100% foreign direct investment in the refining sector from June, 2000.

Note:

+ MMTOE : Million Tonnes of oil plus oil equivalent of gas
++ MMTPA : Million Tonnes Per Annum